

# Michigan Employer advisor

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## UIA Takes Further Measures To Prevent Fraud

### Inside:

2

Improved Wage  
Detail E-Filing  
Service

4

MI Opportunity  
Partnership

### Routing

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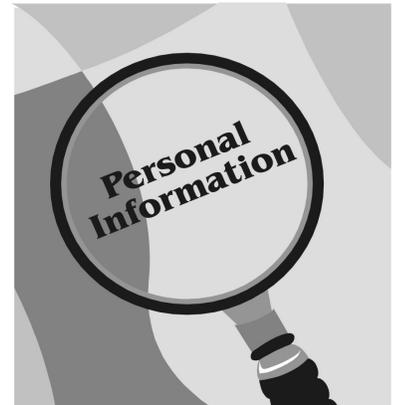
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The Unemployment Insurance Agency has implemented two new programs to enhance benefit fraud prevention measures and maintain program integrity. The Social Security Number Data Crossmatch and State Directory of New Hires Crossmatch were implemented in 2005 as integrity initiatives to detect identity theft and prevent benefit fraud.

When unemployed workers file a new claim for unemployment benefits, the UIA performs a crossmatch with Social Security Administration (SSA) data to verify their identity. Discrepancies

are investigated. To verify the Social Security Number, information is obtained and documented from the unemployed worker. If no information is received, the claim is denied. Crossmatches have revealed that discrepancies may be due to different surnames, birthdates, and/or social security numbers not on file with SSA. The unemployed worker's UI benefit claim record should match SSA data. It is important that employers verify with their employees the name and social security number the employee has on file with SSA. If this information is obtained initially by



employers, identity and social security number issues will be resolved much sooner. It will help to reduce improperly paid benefits and will help avoid improper charges being placed on

*Continued on page 2*

## Tax Functions Added To Employer Web Account Manager



The Unemployment Insurance Agency (UIA), in its' continuing commitment to provide employers with convenient, secure, one-stop Internet services, has added some new features to its on-line services. Employers now have the ability to: file quarterly tax reports, pay unemployment taxes (contributing employers), pay benefit charge reimbursements (reimbursing employers), submit address changes, enter Power of Attorney (POA) authorizations, and request account information.

Employers with an existing Employer Web Account Manager (EWAM) account that have used an on-line service within the last calendar year received an email notification of the changes.

Employers without an EWAM account can set-up one with just their UIA 7-digit employer account number and 9-digit business zip code. A letter providing a password for the account is mailed to the employer business address on record with UIA within 7-10 business days. Once the password has been received, the EWAM account is active and the on-line services are available for use.

One of the new services being offered is the ability to file a Power of Attorney (POA) to authorize others to act on your behalf. This POA is reflected on the employer's account the same day and allows an accountant, payroll service, etc. to access the employer web account and perform the functions designated by the employer. The on-line tax report function will allow contributing employers to file Form UIA 1020, **Employer's Quarterly Tax Report**, and reimbursing employers to file Form UIA 1020-R, **Reimbursing Employer's Quarterly Payroll Report** on-

*Continued on page 3*

# UIA Enhances Wage Detail E-Filing Service

An Unemployment Insurance Agency (UIA) e-filing service for employers recently got a tune-up that would make NASCAR racers Jeff Gordon and Dale Earnhardt Jr. proud.



Employers will now find a faster, feature-rich process that is even Mac computer-friendly when they file their Wage Detail Reports (form UIA 1017) on line.

Liabile employers are required by law to file 1017's every quarter, even if they have zero wages for that reporting period. 1017's are due by the 25th day of the month following the end of the calendar quarter. For example, March 31 is the end of the 1<sup>st</sup> Quarter, so 1017s are due April 25 for that reporting period.

The new upgraded system eliminates the "user name and password invalid" error message that employers once saw when no service access port was available. This error still appears, however, when the user incorrectly enters a user name and password. Users also will encounter problems if they do not have cookies enabled on their Internet browsers. A cookie is a small text file that is written to your computer's hard drive.

The Agency replaced an iPlanet platform with a .NET iteration that frees Macintosh users of the previous snags. Added features include: more access ports, a cleaner, more concise look to the Web home page, and user information and services offered on the same Web page. Employers with larger files now have a shorter upload time, and the turn-around time for e-mail confirmations has decreased.

The e-filing service is fast, secure and convenient. Simply go to our Web site (<http://b2g.unemployment.state.mi.us/>) to create a Web account and obtain a user ID and password.

E-filing frees employers from handling paper, tapes, packaging and postage. It's also easy for employers who now report wages on magnetic tape or paper to convert to the e-filing service. Two e-filing options are available: the "1017e," which is an online version of the paper form, and Employer File Submission (EFS). With EFS, two filing formats are available. A 276-byte format is convenient for magnetic tape filers because it is the same byte size as the tapes, while a more concise 72-byte filing option is also available.

For more information, contact DeJuan Gibbs at (313) 456-2764. To get started using the 1017 e-filing service, go to <http://b2g.unemployment.state.mi.us/>.

**1017 E-Filing Growth**

Quarter/Year	Employers	No. of Employees Reported
4th Qtr. 2002	3,530	368,755
4th Qtr. 2003	10,767	1,241,405
4th Qtr. 2004	18,616	1,661,608
4th Qtr. 2005	19,862	1,751,523

*Continued from page 1*

## UIA Takes Further Measures To Prevent Fraud

employer accounts.

In the other measure to prevent fraud, the UIA entered into an agreement with the Department of Treasury and Department of Human Services, Office of Child Support, to access their records of new hire information. Weekly new hire dates and other data from the State Directory of New Hires (SDNH) are compared with benefit payment records

to determine if benefits were paid to the unemployed worker after the new hire date. If our crossmatch determines an unemployed worker may have drawn benefits while working, requests for wage information are mailed to the employer and the unemployed worker. Upon receipt of this information, a determination is made of the unemployed worker's eligibility for benefits.

Employers are encouraged to report the date of hire (first day worked) on the State of Michigan, New Hire Reporting Form, which is sent to the Michigan Department of Treasury.

These data exchange programs help to protect the UI trust fund by providing for early detection of possible identity theft and improperly paid unemployment insurance benefits.

**UIA**

## **UIA Holds SUTA Dumping Seminars**

To bring employers up-to-date on the 2005 changes to the state's unemployment insurance law governing SUTA Dumping, UIA held six free seminars around the state this year.

The seminars were held in January, February and late May at sites in Gaylord, Grand Rapids, Lansing and Detroit. The meetings discussed the law changes and explained how employers could avoid SUTA Dumping when changing their business structures. They also described the negative impact that the practice has on the state's UI trust fund, which finances unemployment benefit payments.

In addition, the meetings explained for employers how to complete UIA forms and employer registrations.

## **Ensure You Are Insured**

**N**early all employers in Michigan, both public and private, are covered by workers' compensation.

In fact, when talking about workers' compensation, it is easier to discuss the exceptions. There are a few classes of workers who are not covered by the Workers' Disability Compensation Act of Michigan, but are covered by federal laws. These workers include employees of the federal government (such as postal workers, employees at a Veteran's Administration hospital, or members of the armed forces). People who work on interstate railroads are covered by the Federal Employers Liability Act. Seamen on navigable waters are covered by the Merchant Marine Act of 1920, and people loading and unloading vessels are covered by the Longshoremen's and Harbor Workers' Compensation Act. **Virtually all other workers and employers are subject to Michigan's law.** Certain very small employers are exempt. If a private employer has three or more employees at any one time, or employs one or more workers for 35 or more hours per week for 13 or more weeks, the employer is subject to the Workers' Disability Compensation Act (WDCA). (MCLA 418.115). Failure to have appropriate insurance coverage, or be approved as a group or individual self-insured employer, is a violation of the WDCA and can lead to civil (418.645) and criminal (418.641(1)) sanctions. Also, such failure will subject the employer to liability for work-related injury claims in civil court without the limitations provided by the WDCA (418.641(2)). For more information, visit the Workers' Compensation Agency website at: [www.michigan.gov/wca](http://www.michigan.gov/wca) or call: 888-936-5041.

*Continued from page 1*

## **Employer Web Account Manager**

line. The business name, address, UIA employer account number, Federal Employer Identification Number (FEIN), tax rate (for contributing employers), and missing quarters are all pre-filled from UIA records. A printable version of the report along with a confirmation number is offered as part of the service.

Another way of paying quarterly taxes or reimbursements is also being offered at no cost to employers through a new ePayment option. This option gives employers the ability to pay through eCheck (an authorized debit to a bank account). An account profile is established within EWAM that contains the name of your financial institution, the routing/transit number, bank account number, type of account (checking or savings), and name on the bank account,

contact information, and business email address. Once the account profile is established, up to three payments per transaction can be authorized. The option to designate the payment to a specific quarter or to allow the payment to pay the oldest delinquency on the account is available.

Need a 940 certification? Employers can request, view, and print 940 certifications for the current and six previous calendar years right from their own computer. Need to update your business address and/or mailing address? Use the new on-line address change function and have the new address in UIA records the next business day.

Want to know what your current tax rate is? How about your tax rate for 2004? Log in to EWAM and view your tax rates for the current and six previous calen-

dar years. Can't find a quarterly statement of benefit charges to your account?

Go to the on-line Request Statements option and request the quarter you are missing. Form UIA 1770, **Summary of Benefit Charges and Credits**, are available for the 2nd quarter of 2004 forward and will be displayed on your computer screen in a printable format.

**For more information, go to [www.michigan.gov/uiia](http://www.michigan.gov/uiia) and check out the new services available under the UIA B2G On-Line Service link.**

**UIA**



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The Michigan Employer Advisor is an Unemployment Insurance Agency periodical for Michigan employers about unemployment insurance. Submissions should be related to UIA programs and services.

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**Jennifer M. Granholm**, Governor, State of Michigan

**Robert Swanson**, Director, Department of Labor & Economic Growth

**Doug Kalinowski**, Acting Deputy Director, Department of Labor & Economic Growth

**Liza Estlund Olson**, Acting Director, Unemployment Insurance Agency

**Lynda Robinson**, Editor  
robinsonlyndam@michigan.gov

**Address Change:** To update your UIA account with name and address changes, fax form UIA1025, "Employer Request for Address/Name Change" to (313) 456-2130 or call our automated fast-fax hotline at 1-800-638-3994. At the menu prompts, press 4, then press 7, or print the form from our website at [www.michigan.gov/uiia](http://www.michigan.gov/uiia).

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## Employers Can Pledge Jobs On-Line to Find Qualified Workers

The MI Opportunity Partnership, developed by Governor Jennifer M. Granholm, helps employers find skilled workers by improving programs and services that match workers with job providers. It is part of the Governor's five-point plan to create jobs, restructure and diversify Michigan's economy, change the state's business tax structure, and ensure that the state has a well-trained workforce.

In addition to placing workers into jobs today, the MI Opportunity Partnership coordinates an accelerated training strategy to provide new job opportunities in health care and the skilled trades for unemployed and displaced workers.

A key component of the MI Opportunity Partnership initiative is the *Working For Jobs Today!* pledge drive, which offers employers straightforward, responsive, and targeted help in finding the qualified workers they need now. Employers pledge the number of job openings they expect to have and those pledges are responded to promptly by local Michigan Works! Agencies. Michigan Works! staff then help employers find qualified individuals. There is no cost and it is an easy way for employers to find the workers they need.

The pledge drive met its first year goal of placing 30,000 workers into jobs two weeks ahead of schedule on April 18, 2006. Year two, which is now underway,

seeks to place 40,000 workers into jobs. To meet this goal, employer participation through job pledges is crucial.

Employers can pledge their job openings by calling 1-800-285-WORKS (9675) or their local Michigan Works! Agency, or by going online at [www.michigan.gov/jobstoday](http://www.michigan.gov/jobstoday). The MI Opportunity Partnership is a collaboration of the State of Michigan with employers from business and industry, Michigan Works! Agencies, health care and the skilled trades, organized labor, community colleges and universities, associations, and Michigan Regional Skills Alliances.

## Just The Fax

The Unemployment Insurance Agency has installed a new digital fax system for employer use which can accept dozens of simultaneous transmissions. Many employers are already using this new tool to correspond with us.

The new fax number is (517) 636-0427 and we urge you to begin using the number immediately. Your use of this number allows us to digitize the fax transmissions and automatically distribute the

work more efficiently. If problems are encountered with a fax transmission please

contact Employer Customer Relations at 1-800-638-3994. When possible, provide the representative with the corresponding error message to help the Agency remedy the problem.



## We Want To Hear From You

Do you have questions about unemployment insurance benefits or tax issues?

Do you have a suggestion for an article you'd like to see in the *Michigan Employer Advisor*? Send your idea to: *Michigan Employer Advisor*, 3024 W. Grand Blvd., Suite 13-100, Detroit, MI 48202, or e-mail Norm Isotalo at [isotalonormanh@michigan.gov](mailto:isotalonormanh@michigan.gov).